

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:	:
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THE FINANCIAL OVERSIGHT AND	: PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	: Title III
	:
as representative of	: Case No. 17-BK-3283 (LTS)
	:
THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> ,	: (Jointly Administered)
	:
Debtors. ¹	:
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ORDER AUTHORIZING THE TRUST TO PAY COMPENSATION OF DRIVETRAIN, LLC IN ITS
CAPACITY AS TRUSTEE OF THE COMMONWEALTH AVOIDANCE ACTIONS TRUST
PURSUANT TO ARTICLE LXXVIII OF THE PLAN, PARAGRAPHS 18-20 OF THE
CONFIRMATION ORDER, SECTION 7.6 OF THE AVOIDANCE ACTIONS TRUST AGREEMENT,
AND BANKRUPTCY CODE SECTION 105(A), EFFECTIVE AS OF MARCH 15, 2022

Upon the motion (Docket Entry No. 20697 in Case No. 17-3283, the “Motion”)² of the
Drivetrain, LLC, in its capacity as the trustee of the Commonwealth Avoidance Actions Trust
(the “Trustee”) authorizing the payment of compensation to the Trustee pursuant to the Trustee
compensation arrangement as described in the Motion, effective as of March 15, 2022, and upon
the Mack Declaration annexed to the Motion in support thereof; the court hereby FINDS AND

¹ The Debtors in these title III cases, along with each Debtor’s respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566(LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780) (Last Four Digits of Federal Tax ID: 3747).

² Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

DETERMINES that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to section 306(a) of PROMESA; (ii) venue of the Title III Cases and the Motion in this district is proper pursuant to section 307(a) of PROMESA; (iii) the Trustee provided due and proper notice of the Motion and no other or further notice need be provided; (iv) the terms of the Trustee's compensation arrangement are reasonable and appropriate; and (v) this Court having determined that the relief requested in the Motion is necessary and in the best interests of the of the Trust beneficiaries; and after due deliberation, and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Motion is APPROVED.

2. In accordance with section 105(a) of the Bankruptcy Code, made applicable to the Title III Cases pursuant to section 301(a) of PROMESA, and pursuant to the terms of the Trust Agreement, the Plan, and the Confirmation Order, the Trust is authorized to pay compensation to the Trustee, effective as of the Effective Date, from the Avoidance Actions Trust Assets:

- (a) Monthly Fee: A flat rate of \$75,000 per month beginning with and continuing through the first six months following the Effective Date (*i.e.*, from March 15, 2022 to September 15, 2022). Thereafter, (*i.e.*, beginning September 16, 2022), a flat rate of \$50,000 per month; and
- (b) Incentive Fee: Three percent (3%) of Trust recoveries in excess of \$80,000,000. The amount of the incentive payment earned shall decline by 10% per annum for any recoveries received beginning with the third year following the Effective Date (*i.e.*, beginning March 15, 2025); and
- (c) Costs and Expenses: The Trustee shall be entitled to reimbursement of its reasonable costs and expenses incurred in carrying out its duties and

responsibilities under the Trust Agreement. Such reimbursement shall be paid from Avoidance Actions Trust Assets upon the submission of appropriate receipts and records to the Board for approval.

3. The Avoidance Actions Trust shall be solely responsible for such compensation and reimbursement of expenses from the Avoidance Actions Trust Assets in accordance with the procedures outlined in the Trust Agreement.

4. The Trustee and the Board are authorized and empowered to take all necessary actions to implement the relief granted in this Order.

5. This Court shall retain jurisdiction with respect to all matters arising from or related to this Order.

6. To the extent there is an inconsistency between this Order, the Avoidance Actions Trust Agreement and the Motion, the terms of this Order shall govern.

7. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

8. This Order resolves Docket Entry No. 20697 in Case No. 17-3283.

Dated: June 22, 2022

/s/ Laura Taylor Swain
HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE